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GOVERNMENT OF PUNJAB
DEPARTMENT OF INDUSTRIES & COMMERCE
(Policy Implementation Unit)

NOTIFICATION

The 23rd April, 2025

No. PIU/IBDP-22/Notification/2025/637.-In pursuance of the notification regarding the Scheme for ‘**Capital Subsidy to units installing Paddy Straw Fuel based Boiler**’ under Industrial & Business Development Policy, 2022 notified vide notification no. PIU/IBDP-22/Notification/2025/200 dated 20/02/2025, the Governor of Punjab is pleased to notify the ‘**Procedure for availing ‘Capital Subsidy to units installing Paddy Straw Fuel based Boiler**’ as under: -

1. In addition to clause 16.19 of Chapter – 16 of Industrial & Business Development Policy, 2022, the procedure for availing Capital Subsidy by units installing Paddy Straw Fuel based Boiler is as under: -

Procedure for availing Capital Subsidy to existing units switching over to Paddy Straw fuel based boiler

1. Eligibility Criteria:

This scheme is exclusively available to existing industries (which are not eligible for incentives as Expansion Category as per clause 12.2 under IBDP-2022) and which are not in the negative list under clause 12.23, and have obtained Consent to Establish (CTE) for Paddy Straw Boiler from PPCB after the date of notification of this scheme ie. 20/02/2025.

2. Procedure:

- I. The eligible unit, after obtaining the Provisional Operation Certificate (DOB) from the O/O Director of Boilers, Punjab and after obtaining the Consent to Operate (CTO) under Air Act, 1981 for paddy straw based boiler from PPCB shall file the claim on the Invest Punjab Business First Portal (IPBFP) in the prescribed form ‘**Form - CS**’ along with the required documents. The existing unit switching over to Paddy Straw Fuel based Boiler and claiming the incentive of Capital Subsidy will not be required to file the Incentive Common Application Form (ICAF).
- II. Upon the successful submission of the aforementioned application by the applicant on the IPBFP, the

application will be forwarded to the Technical Branch of the Department of Industries & Commerce, Punjab, for initial scrutiny within 2 working days. The Technical Branch will ensure that the submitted application includes valid Consent to Establish (CTE), Consent to Operate (CTO) and Provisional Operation Certificate (DOB). Any incomplete form shall be rejected. However, the applicant may reapply with the complete set of required documents. On the receipt of complete application form, the case shall be added to the tentative seniority list on the basis of date of submission of application and required budgetary provision shall be accounted for.

- III. The complete application form shall be sent to the General Manager, District Industries Centre and the District Scrutiny Committee, which will approve or reject the case within 20 days regarding the cost incurred for switching to a new paddy-straw fuel-based boiler or upgrading an existing one. The report will primarily rely on documentary claims, including audit reports and CA recommendations. However, the Committee or its members may inspect or request additional information if justified in writing. If no decision is made within 20 days, the case will be deemed approved at the level of DSC and taken up in the SLC.
- IV. The competent authority for the approval of Capital Subsidy shall be the State Level Committee (SLC) and the recommendations of District Scrutiny Committee shall be placed before State Level Committee through Technical Branch, Department of Industries & Commerce, Punjab.
- V. After the approval by SLC, Technical Branch shall finalize the tentative seniority list based on the date of submission of complete application form and process the incentive claim for issuance of financial sanction/disbursement of fiscal incentives strictly as per the finalized seniority and the same shall not be jumped under any circumstances.

3. Other Condition

- I. The Boiler shall remain in operation for 5 years from the date of sanction of incentive. A unit, which has been granted the fiscal incentive of Capital Subsidy will require the prior approval of the State Level Committee in case of shutting down of Paddy Straw fuel-based as per clause 14.2 of Chapter – 14. In case of failing the amount of Capital Subsidy shall be recovered in accordance with clause 14.3 of Chapter – 14 of Industrial & Business Development Policy, 2022.
- II. The Capital Subsidy will be disbursed as per final seniority on first come first served basis within the overall allocation of Rs. 60 Crore for this scheme.
- III. The Industry proposing to install a boiler of higher steam generation capacity shall be given capital subsidy proportionately at the base value of Rs. 1.0 Crore/8 TPH capacity subject ceiling of Rs. 5 Crore in case of existing units switching over to new paddy straw fuel based boilers or Rs 50 lakh/8 TPH capacity subject ceiling of Rs. 2.5 Crore in case of existing units up-grading their existing Boiler to 100% paddy straw fuel based boilers.
- IV. The clause regarding ‘Upper Ceiling of Quantum of Total Fiscal Incentives’ ie. 12.30 of Chapter – 12 shall not be applicable for the purpose of Capital Subsidy being granted under clause 12.28 of Chapter – 12 of Industrial & Business Development Policy, 2022.
- V. The beneficiary industry shall prioritise operation of paddy straw based boiler over other boilers, if any installed.
- VI. The beneficiary industry shall utilise fuel in the form of paddy straw bales/ paddy straw based pellets or briquettes in boiler. In case, the beneficiary industry utilise paddy straw based pellets/ briquettes, composition of other biomass is permitted but only to an extent of 20% of total feedstock, in case needed.

- VII. The beneficiary industry shall submit CA audited bill of material for purchase of fuel (paddy bales/ pellet/ briquettes) utilized in boiler at the end of every financial year for a period of atleast 5 years.
- VIII. District Scrutiny Committee shall meet in first quarter of every financial year for a period of atleast 5 years, to review quantity of utilization of paddy straw based fuel in boiler for previous financial year based on the CA audited report. The proceedings of the meeting shall be conveyed to the State Level Committee within 15 days of convening, along with recommendations on the matter.

4. Interpretation

Administrative Secretary Industries and Commerce shall be competent to amend, issue any additional guidelines and interpretation of these Guidelines.

5. Prevention against promissory estoppel

All applications received for the ibid scheme are subject to overall allocation of Rs. 60 Crore by Department of Finance. Hence on exhaustion of the overall allocation, all applications pending or under process shall be deemed to be rejected at once unless extended by the State government. No suit, prosecution or other legal proceedings shall lie against any officer or other employee of the Government or the Scrutiny Committee or any other competent authority, for the rejection of application before any court of law.

The 15th April, 2025

KAMAL KISHOR YADAV, IAS
Administrative Secretary to Govt of Punjab
Department of Industries & Commerce

Form – CS (Capital Subsidy for units setting up Paddy Straw Fuel-based Boiler)

A) Basic Details (To be auto-fetched from CAF)		
1	Name and address of the applicant unit/SPV/Association/Start-Up/Incubator/Sick unit for correspondence	
2	Applicant unit's Landline number Mobile no.	
3	Location of the applicant unit	District Sub-Division Village/Town Police Station Post Office Ward Gram Panchayat
	GPS Coordinates (Location)	
4	In case of Branch, Address of Head Office/ Registered office of the applicant	
5	Permanent email id	
6	Particulars of Proprietor / Partners / Directors Promoter	Name: Address: Phone: Fax: Email:
7	Address of Unit	Name: Address: Phone: Fax: Email:
8	Type of organization	Govt. Institution /organization: Industry Association: University: NGO: Co-operative: Proprietor: Partnership: Pvt Ltd: Others
9	Category of Unit i) Micro/Small/ Medium/Large	
10	Udyam Registration. in case of MSME units I.E.M. No. in case of large units	
11	GST registration no. and Date (Enclose copy of certificates)	Registration no. Date.
12	PAN No (Enclose Copy)	PAN no
13	Certificate of registration, Incorporation certificate in case of company, Firm registration certificate in case of Partnership firm, Bankers certificate or Shop and Establishment Act certificate in case of Proprietary concern, for any other entity registration certificate of respective registering authority.	Certificate of registration: Incorporation certificate: Firm registration certificate: Bankers certificate or Shop and Establishment Act certificate: Other: Registration certificate of respective registering authority:
B) Boiler Details		
1	Boiler Registration No (Registered with DOB)	New / Old

2	Fuel being used (In case of Up-gradation)	
3	Capacity of Boiler (New /Old)	Heating Surface area and TPH
4	Boiler Operation Engineer/Boiler Attendant Class	Certificate no and attach document
C) Investment Details		
1	Category of Paddy Straw Fuel-based Boiler	1. New Boiler 2. Existing Boiler switching over to paddy straw fuel-based boiler
2	Quantum of Incentive	1. Capital Subsidy@ 1 Cr/8 TPH boiler or 33% of the actual expenditure with a maximum cap of Rs. 5 Cr./unit. 2. Capital Subsidy@ 50 Lakh/8 TPH boiler or 33% of the actual expenditure with a maximum cap of Rs. 2.5 Cr./unit.
3	Expenditure incurred on setting/up-grading the Paddy Straw Fuel-based Boiler	
4	Quantity of Paddy Straw expected to be utilized per year	
D) Account Details		
1	Name of the Proprietor or authorized signatory as per copy of resolution of board of directors in the case of companies and power of attorney in case of partnership firms, as the case may be	
2	Bank Detail of the Unit*	
3	Branch Name and Address	
4	Type of Account	
5	Account Number	
6	IFSC code	
7	MICR code	

Documents to be submitted

- Boiler Registration Certificate
- Certificate of Boiler Operation Engineer/Boiler Attendant as per Boiler Act
- Provisional Operational Certificate issued from the office of Director of Boiler
- Consent to Establish
- Consent to Operate
- Boiler Renewal Certificate (In case of old boiler)
- Declaration as per Form-1
- Item wise, Bill wise list of expenditure on setting up/up-grading paddy-straw fuel based boiler, certified by the CA, in the prescribed form 4 supported by copy of the self-attested bill/invoices.